

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re:)	Chapter 11
)	
CIRCUIT CITY STORES, INC., <i>et al.</i> ,)	Case No. 08-35653 (KRH)
)	
Debtors.)	(Jointly Administered)
)	

RESERVATION OF RIGHTS OF D-LINK SYSTEMS, INC.

D-Link Systems, Inc. ("**D-Link**"), by its undersigned counsel, hereby responds to the *Debtors' Twenty-Third Omnibus Objection to Claims (Modification of Certain Duplicate 503(b)(9) Claims)* (Docket No. 3711) (the "**Omnibus Objection**") of Circuit City Stores, Inc. (the "**Debtor**") and states as follows:

JURISDICTION

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
2. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

3. D-Link is an award-winning designer, developer and manufacturer of networking, broadband, digital electronics, voice, data and video communications products. On or about April 20, 2006, D-Link and the Debtor entered into the Master Dealer Agreement (the "**Master Dealer Agreement**"), pursuant to which D-Link sold and the Debtor purchased certain consumer electronics and related products (the "**Products**") for resale by the Debtor to its customers. D-Link sold and the Debtor purchased the Products pursuant to the Master Dealer Agreement both before and after the Debtor's filing for relief under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") on November 10, 2008 (the "**Petition Date**").

4. On November 12, 2008, the Bankruptcy Court entered an *Order Establishing Bar Date for Filing Requests for Payment of Administrative Expense Claims under Bankruptcy Code Sections 105 and 503(b)(9) and Approving Form, Manner and Sufficiency of Notice of the Bar Date Pursuant to Bankruptcy Rule 9007* (Docket No. 107) (the "**503(b)(9) Bar Date Order**"), which set the bar date for filing proofs of claim asserting administrative priority claims pursuant to section 503(b)(9) of the Bankruptcy Code (each, a "**Section 503(b)(9) Claim**") for December 19, 2008.

5. On December 18, 2008, D-Link filed its Section 503(b)(9) Claim, which was assigned claim number 1259. On December 19, 2008, D-Link filed an amended Section 503(b)(9) Claim, which was assigned claim number 913. D-Link's Section 503(b)(9) Claim asserts a claim for \$1,041,711.25. On April 3, 2009, the Court entered an *Order Sustaining Debtors' First Omnibus Objection To (I) Certain Duplicative 503(B)(9) Claims and (II) Certain Amended 503(B)(9) Claims* (Docket No. 2914), which disallowed D-Link's December 18, 2008 Section 503(b)(9) Claim and left its amended December 19, 2008 Section 503(b)(9) Claim intact.

6. On December 10, 2009, the Court entered an *Order Pursuant to Bankruptcy Code Sections 105 and 502 and Bankruptcy Rules 2002, 3003(c)(3), and 9007 (I) Setting General Bar Date and Procedures for Filing Proofs of Claim; and (II) Approving Form and Manner of Notice Thereof* (Docket No. 890) (the "**Claims Bar Date Order**"), which set the bar date for filing all claims arising before November 10, 2008 against the Debtor by any non-governmental entity (each, a "**Proof of Claim**") for January 30, 2009.

7. On January 28, 2009, D-Link filed its Proof of Claim, which was assigned claim number 7969. D-Link's Proof of Claim asserts a claim for \$3,471,725.06, of which

\$1,041,711.25 is entitled to administrative priority under section 503(b)(9) of the Bankruptcy Code.

8. On March 31, 2009, Credit Suisse International ("**CSI**") filed a *Partial Notice of Transfer of Claim Other Than for Security* (Docket No. 2858), providing notice that \$600,111.60 of D-Link's Section 503(b)(9) Claim of \$1,041,711.25 was transferred to CSI. Also on March 31, 2009, CSI filed a *Partial Notice of Transfer of Claim Other Than for Security* (Docket No. 2858), providing notice that \$2,000,000.00 of D-Link's Proof of Claim of \$3,471,725.06 was transferred to CSI. Of the total amount of the Proof of Claim transferred, \$600,111.60 is entitled to administrative priority under section 503(b)(9) of the Bankruptcy Code.

9. On June 23, 2009, the Debtor filed the Omnibus Objection, which seeks, among other things, to disallow portions of Proofs of Claim that assert a claim for administrative priority under section 503(b)(9) of the Bankruptcy Code to the extent such claim is also asserted in timely-filed Section 503(b)(9) Claim.

10. Exhibit C to the Omnibus Objection provides a chart listing, among other things, the name of the claim holder of each claim and the corresponding Modified Surviving Amount thereof. Under D-Link's Section 503(b)(9) Claim, Exhibit C lists CSI as the Claim Holder of the entire Section 503(b)(9) Claim. Additionally, under D-Link's Proof of Claim, Exhibit C lists D-Link as the Claim Holder of the entire surviving amount of the Proof of Claim.

RESERVATION OF RIGHTS

11. D-Link does not object to the relief sought in the Omnibus Objection. However, D-Link reserves its rights regarding the correct ownership of its claims. It requests that the Order sustaining the Debtor's Omnibus Objection be clarified to reflect the correct information concerning the claim holders of D-Link's Proof of Claim and Section 503(b)(9) Claim.

Dated: July 16, 2009

Respectfully submitted,

/s/ Linda Regenhardt

GARY & REGENHARDT PLLC
Linda D. Regenhardt, Esquire (Va. Bar No. 27455)
Stuart H. Gary, Esquire (Va. Bar No. 12714)
8500 Leesburg Pike, Suite 7000
Vienna, VA 22182-2409
Telephone: (703) 848-2828
Facsimile: (703) 893-9276
E-mail: lregenhardt@garyreg.com
sgary@garyreg.com

-and-

SHEPPARD MULLIN RICHTER & HAMPTON LLP
Margaret M. Mann, Esquire
501 West Broadway, 19th Floor
San Diego, CA 92101
Telephone: (619) 338-6500
Facsimile: (619) 234-3815
E-mail: MMann@sheppardmullin.com

Counsel for D-Link Systems, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on July 16, 2009, a copy of the foregoing Amended Notice of Appearance of D-Link Systems, Inc. and Request for Service of Notices and Documents to be served via electronic means pursuant to the Court's order concerning service in this case.

/s/ Linda D. Regenhardt

Linda D. Regenhardt (VA Bar No. 27455)